31st October 1935]

Alleged obstruction on the part of unions to the rectification of co-operative societies.

* 358 *Q.*—Mr. A. B. SHETTY: Will the Hon. the Minister for Public Works be pleased to state—

(*a*) whether any cases of unions obstructing the rectification of co-operative societies have come to the notice of the Government; and

(*b*) whether the Government have under consideration any scheme for improving the working of unions or any proposal to liquidate bad unions?

A.—(*a*) The answer is in the negative.

(*b*) The policy of the department has been to liquidate financially weak and bad unions. In March last, the Government accepted the suggestions of the Registrar that supervision of societies should be undertaken by central banks assisted by local co-operative unions and that officers of the department should keep themselves in personal touch with the unions and stimulate them to exercise vigorous supervision. There is at present no general scheme regarding unions under the consideration of the Government.

Mr. A. B. SHETTY:—" May I know whether action has been taken on the suggestion made by the Registrar? "

The Hon. Mr. P. T. RAJAN:—" I think so."

Mr. A. B. SHETTY:—" May I ask whether the officers of the department have succeeded in stimulating the unions to exercise vigorous supervision? "

The Hon. Mr. P. T. RAJAN:—" The experiment was started only this year, and as far as I know, there is a fair amount of progress."

Proposals for the substitution of a new agency for the existing unions to ensure better control and supervision of co-operative societies.

* 359 *Q.*—Mr. A. B. SHETTY: Will the Hon. the Minister for Public Works be pleased to state whether instead of unions the Government are considering proposals to have any other agency for the better control and supervision of co-operative societies?

A.—No.

Mr. A. B. SHETTY:—" May I know whether the Government are satisfied with the control and supervision now exercised by the unions? "

The Hon. Mr. P. T. RAJAN:—" I am afraid I cannot answer this question which is too general in character."

[31st October 1935

MR. A. B. SHETTY:—"May I request the Hon. Minister to find out?"

The Hon. Mr. P. T. RAJAN:—"It is too general a matter to be looked into."

Payment of subsidies to Loan and Sale Societies on account of their working expenses.

* 360 *Q.*—Mr. A. B. SHETTY: Will the Hon. the Minister for Public Works be pleased to state—

(*a*) whether the Government are giving subsidies to any Loan and Sale Societies for their working expenses as they have done in the case of the Central Land Mortgage Bank;

(*b*) whether any loans are being given for building warehouses for these societies as recommended by the Provincial Banking Enquiry Committee; or

(*c*) whether help in any other way is being given?

A.—(*a*) No. The Registrar of Co-operative Societies has sent proposals for making subsidies to enable these societies to rent godowns and to meet the cost of marketing agents, propagandists and clerical establishment employed by such societies. These are under the consideration of the Government.

(*b*) The Government had already been granting long-term loans to these societies to build godowns up to 50 per cent of the cost of construction of godowns. Up to the end of 1929–30 a sum of Rs. 14,750 was lent to societies for the construction of godowns at Orattanad North and South in Tanjore, Ambur in North Arcot, Nandyal in Kurnool, Madurāntakam in Chingleput, Maripudi in Guntur and Nangavaram in the Trichinopoly district. No loans were granted in subsequent years. It is understood that there has been no appreciable demand for such loans from societies for the reasons that these societies were not able to secure sufficient business to keep their godowns fairly full throughout the year and to enable them to repay out of their income, the loans raised for the construction of godowns.

(*c*) The Government have employed 24 senior inspectors of co-operative societies for the supervision of non-credit societies in the Presidency which include loan and sale societies. They have also employed eight junior inspectors for the intensive supervision of select loan and sale societies in some districts in their initial stages.